

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA

- v. -

TODD NEWMAN,
ANTHONY CHIASSON, and
JON HORVATH,

Defendants.

S2 12 Cr. 121 (RJS)

Bill of Particulars

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Pursuant to the Court's Order filed June 29, 2012, the Government supplements the particulars set forth in the Superseding Indictment with additional particulars set forth below concerning: (a) the identity of known coconspirators; (b) the identity of certain stocks with respect to which one or more of the defendants and/or coconspirators provided, obtained, or received material, nonpublic information, or attempted to do so; (c) the nature of the confidential information obtained or passed by one or more of the defendants and/or coconspirators; (d) the sources of that information, if known; (e) the nature of the benefit received by the tippers of the information; (f) the approximate periods of time during which one or more of the defendants and/or coconspirators obtained or attempted to obtain the information; and (g) certain trading activity that was in furtherance of the conspiracy charged in Count One of the Superseding Indictment.

The information set forth below is based on the current state of the evidence and the Government's review and analysis of the evidence to date. Certain answers are based, in part, on

inferences that we have drawn from documents and other evidence in the case. As the Government continues to review and analyze the evidence, the Government reserves the right to draw other reasonable inferences from the evidence.

Additionally, the Government anticipates that further particularity as to the Government's charges will be apparent from the Government's exhibits, which will be provided to the defendants on September 21, 2012, in accordance with the Court's June 29, 2012 Order, as well as materials that will be provided to the defendants in advance of trial pursuant to 18 U.S.C. § 3500.

Finally, in accordance with the Court's May 15, 2012 Order, the names of uncharged third parties have been redacted from the publicly filed version of this Bill of Particulars.

Known Coconspirators

Analyst Coconspirators: Jesse Tortora, Spyridon Adondakis, a/k/a "Sam Adondakis,"
Danny Kuo, Jon Horvath, [REDACTED].

Portfolio Manager Coconspirators: Todd Newman, Anthony Chiasson, [REDACTED],
[REDACTED].

Other Coconspirators: Sandeep Goyal, [REDACTED]
[REDACTED].

Stocks With Respect to Which the Defendants and/or Coconspirators
Obtained or Attempted to Obtain Inside Information

Dell, Inc. ("Dell"), NVIDIA Corporation ("Nvidia"), Sun Microsystems ("Sun"),
Advanced Micro Devices ("AMD"), Taiwan Semiconductor Manufacturing Company
("TSMC"), Altera Corporation ("Altera"), Intel Corporation ("Intel"), Texas Instruments,

Western Digital Corporation (“Western Digital”), Volterra Semiconductor Corporation (“Volterra”), PMC Sierra Inc. (“PMCS”), Ingram Micro, Inc. (“Ingram Micro”), and TE Connectivity Ltd.

The Nature of the Confidential Information Passed or Obtained

The nature of the confidential information passed or obtained includes the following:

<u>Company</u>	<u>Information</u>
Dell	<ul style="list-style-type: none"> Earnings information, including revenue and gross margin information (from [REDACTED]). Actual and forecast unit sales numbers for desktop and/or notebook computers, and pricing and market share information relating to hard drives from Dell’s suppliers, including Western Digital and Seagate Technology PLC (from Dan DeVore). Financial information pertaining to Dell’s commercial business (from [REDACTED]).
Nvidia	Earnings information, including revenue and gross margin information.
Sun	Earnings information, including actual and forecast sales information.
AMD	Actual and forecast unit sales numbers and average sales prices for different product lines; total revenue and gross margin information.
TSMC	Actual and forecast bookings information for wafers, by customer, for substantially all of TSMC’s North America business.
Altera	Earnings information, including revenues.
Intel	Actual and forecast unit sales numbers for various Intel products, including microprocessors for notebooks, desktops, and servers; information pertaining to Intel’s average selling prices for certain products; and information relating to Intel’s fab utilization rates.
Texas Instruments	Earnings information, including actual and forecast sales numbers.
Western Digital	Actual unit shipment/sales numbers for Western Digital products.
Volterra	Earnings information, including revenues.

PMCS	Earnings information (from [REDACTED]); revenue information for PMCS's enterprise business (from unknown source).
Ingram Micro	Earnings information pertaining to Ingram Micro's European business.

The Source of the Information, If Known

<u>Company</u>	<u>Source</u>
Dell	[REDACTED], Daniel DeVore, [REDACTED] [REDACTED]
Nvidia	[REDACTED]
Sun	[REDACTED]
AMD	Mark Anthony Longoria
TSMC/SMIC (wafer information)	Manosha Karunatilaka, Sam Wang
Altera	[REDACTED]
Intel	[REDACTED]
Texas Instruments	[REDACTED]
Western Digital	[REDACTED]

[REDACTED] passed information pertaining to Volterra and PMCS to Tortora.

With respect to Intel, as the Government has previously indicated, the Intel information provided by [REDACTED] and [REDACTED] was provided to [REDACTED] and then passed to Tortora and Adondakis through [REDACTED] and/or [REDACTED]. As is apparent from emails provided in discovery in this case, and as will be further supported by the Government's exhibits and Section 3500 materials that will be provided to defendants, Tortora and Adondakis also received confidential financial information regarding Intel from a number of other sources.

Nature of the Benefit Received By the Tipper

<u>Individual</u>	<u>Benefit</u>
██████████	Goyal provided ██████ career advice and actual assistance – as well as promises of future assistance – with opportunities to work in the securities industry; ██████ also provided the information to maintain a personal friendship.
██████████ ██████████	To maintain a personal friendship; assistance with possible employment opportunities.
██████████	██████████ provided the information to maintain a personal friendship with ██████; ██████ told ██████ that he was seeking the Inside Information for purposes of trading in his own account.
██████████ ██████████	██████████ and ██████████ provided information to maintain a personal friendship; ██████ and ██████████ were also taken out to lunch by ██████████, who paid for the lunches; ██████████ also provided career advice and assistance to ██████.
██████████	██████████ provided the information to maintain a personal friendship with Goyal.

Manosha Karunatilaka, Daniel DeVore, Mark Anthony Longoria, ██████████, ██████████, ██████████, and ██████████ were consultants for PGR. PGR Payment records that have been provided in discovery set forth the payments PGR made to these individuals for their consultations with investment firm employees, including Tortora and Adondakis.

Approximate Periods of Time During Which Information Was Passed or Obtained

As relevant to the conspiracy charged in the Superseding Indictment, the approximate periods of time during which the information described above was passed or obtained, are as follows:

██████████ provided confidential information pertaining to Dell from in or about late 2007 through in or about August 2009.

██████████ provided confidential information pertaining to Dell's commercial

business from in or about late 2007 through in or about 2009.

██████████ provided confidential information pertaining to Altera from in or about late 2007 through in or about the first half of 2008.

██████████ provided confidential information pertaining to Nvidia from in or about late 2008 through in or about 2009.

██████████ provided confidential information pertaining to Volterra and PMCS from in or about 2008 through in or about 2009.

██████████ provided confidential information regarding Intel to ██████████ for a period of approximately 6 to 8 months in or about 2006 to 2007. ██████████ provided confidential information regarding Intel to ██████████ from in or about the second half of 2007 through in or about 2009.

Horvath provided confidential information regarding Ingram Micro from in or about 2008 through in or about 2009.

In addition, to the extent the information was provided by the various PGR consultants identified above, the approximate time periods during which information was passed can be ascertained from the billing records provided by PGR that have been produced in discovery, and the emails sent by Tortora, Adondakis and others memorializing the conversations with those consultants.

Trading Activity In Furtherance of the Conspiracy

a. *Dell:*

Diamondback:

- On or about February 28, 2008, Diamondback executed transactions in Dell stock based in whole or in part on Inside Information.
- From at least on or about May 16, 2008 to on or about May 29, 2008, Diamondback executed transactions in Dell stock based in whole or in part on Inside Information.
- Between on or about July 3, 2008 and on or about August 28, 2008, Diamondback executed transactions in Dell stock based in whole or in part on Inside Information.
- Between on or about August 15, 2008 and on or about August 26, 2008, Diamondback executed transactions in Dell put option contracts based in whole or in part on Inside Information.
- In advance of Dell's November 20, 2008 earnings announcement, Diamondback executed transactions in Dell securities based in whole or in part on Inside Information.
- In advance of Dell's August 27, 2009 earnings announcement, Diamondback executed transactions in Dell securities based in whole or in part on Inside Information.

██████████:

- From at least on or about May 13, 2008 to on or about May 28, 2008, ██████████ executed transactions in Dell stock based in whole or in part on Inside Information.
- On or about May 12, 2008, ██████████ executed transactions in Dell call option contracts based in whole or in part on Inside Information.
- Between on or about July 8, 2008 and on or about August 28, 2008, ██████████ executed transactions in Dell stock based in whole or in part on Inside Information.

- Between on or about August 11, 2008 and on or about August 26, 2008, [REDACTED] executed transactions in Dell put option contracts based in whole or in part on Inside Information.
- In advance of Dell's November 20, 2008 earnings announcement, [REDACTED] executed transactions in Dell securities based in whole or in part on Inside Information.
- In advance of Dell's August 27, 2009 earnings announcement, [REDACTED] executed transactions in Dell securities based in whole or in part on Inside Information.

[REDACTED]:

- Between on or about May 13, 2008 and on or about May 29, 2008, [REDACTED] executed securities transactions in Dell call option contracts based in whole or in part on Inside Information.
- Between on or about August 18, 2008 and on or about August 28, 2008, [REDACTED] executed securities transactions in Dell stock based in whole or in part on Inside Information.
- Between August 19, 2008 and August 27, 2008, [REDACTED] executed transactions in Dell put option contracts based in whole or in part on Inside Information.
- In advance of Dell's November 20, 2008 earnings announcement, [REDACTED] executed transactions in Dell securities based in whole or in part on Inside Information.
- In advance of Dell's August 27, 2009 earnings announcement, [REDACTED] executed transactions in Dell securities based in whole or in part on Inside Information.

[REDACTED]:

- Between on or about July 8, 2008 and on or about August 28, 2008, [REDACTED] executed securities transactions in Dell stock based in whole or in part on Inside Information.
- In advance of Dell's November 20, 2008 earnings announcement, [REDACTED] executed transactions in Dell securities based in whole or in part on Inside Information.

b. *Nvidia*:

Diamondback:

- Between on or about April 27, 2009 and on or about May 7, 2009, Diamondback executed securities transactions in Nvidia stock based in whole or in part on Inside Information.

██████████:

- Between on or about April 27, 2009 and on or about May 7, 2009, ██████████ executed securities transactions in Nvidia stock based in whole or in part on Inside Information.

██████████████████████:

- Between on or about April 15, 2009 and on or about May 7, 2009, ██████████████████████ executed securities transactions in Nvidia stock based in whole or in part on Inside Information.

██████████:

- Between on or about May 5, 2009 and May 7, 2009, ██████████ executed transactions in Nvidia securities based in whole or in part on Inside Information.


c. *Other Stocks*

Diamondback, [REDACTED], and/or [REDACTED] executed transactions in one or more of the securities identified herein in addition to Dell and Nvidia during the period in which they received confidential information from the sources set forth above. The Government presently intends to limit proof of specific securities transactions, if any, to trading in the following stocks: Sun, Intel, Texas Instruments, and TSMC.

Dated: New York, New York
August 29, 2012

Respectfully submitted,

PREET BHARARA
United States Attorney

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